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| 10/691,265      | 10/22/2003  | Jesse D. Crum        | WK/2003-11/US       | 5446             |

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| EXAMINER |
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BERNATZ, KEVIN M

| ART UNIT | PAPER NUMBER |
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1773

DATE MAILED: 12/11/2006

Please find below and/or attached an Office communication concerning this application or proceeding.

**Office Action Summary**

Application No.

10/691,265

Applicant(s)

CRUM, JESSE D.

Examiner

Kevin M. Bernatz

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --  
**Period for Reply**

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

**Status**

- 1) ☐ Responsive to communication(s) filed on \_\_\_\_.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

**Disposition of Claims**

- 4) ☒ Claim(s) 1-20 is/are pending in the application.  
4a) Of the above claim(s) 11-20 is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-10 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_ is/are objected to.
- 8) ☒ Claim(s) 1-20 are subject to restriction and/or election requirement.

**Application Papers**

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☒ The drawing(s) filed on 22 October 2003 is/are: a) ☐ accepted or b) ☒ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

**Priority under 35 U.S.C. § 119**

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).  
a) ☐ All b) ☐ Some \* c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

**Attachment(s)**

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☒ Information Disclosure Statement(s) (PTO/SB/08)  
Paper No(s)/Mail Date 8/9/04.
- 4) ☐ Interview Summary (PTO-413)  
Paper No(s)/Mail Date: \_\_\_\_.
- 5) ☐ Notice of Informal Patent Application
- 6) ☐ Other: \_\_\_\_.

## **DETAILED ACTION**

### ***Election/Restrictions***

1. Applicant's election without traverse of Group I, claims 1 - 10 in the paper filed September 18, 2006 is acknowledged. Claims 11 – 20 are withdrawn from further consideration pursuant to 37 CFR 1.142(b) as being drawn to a nonelected invention, there being no allowable generic or linking claim. The requirement is still deemed proper and is therefore made FINAL.

### ***Drawings***

2. The drawings are objected to because the margins of Figure 4 appears to be incorrect (see 37 CFR 1.52). Corrected drawing sheets in compliance with 37 CFR 1.121(d) are required in reply to the Office action to avoid abandonment of the application. Any amended replacement drawing sheet should include all of the figures appearing on the immediate prior version of the sheet, even if only one figure is being amended. The figure or figure number of an amended drawing should not be labeled as "amended." If a drawing figure is to be canceled, the appropriate figure must be removed from the replacement sheet, and where necessary, the remaining figures must be renumbered and appropriate changes made to the brief description of the several views of the drawings for consistency. Additional replacement sheets may be necessary to show the renumbering of the remaining figures. Each drawing sheet submitted after the filing date of an application must be labeled in the top margin as either

"Replacement Sheet" or "New Sheet" pursuant to 37 CFR 1.121(d). If the changes are not accepted by the examiner, the applicant will be notified and informed of any required corrective action in the next Office action. The objection to the drawings will not be held in abeyance.

***Claim Rejections - 35 USC § 102***

3. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of application for patent in the United States.

4. Claims 1 – 6, 9 and 10 are rejected under 35 U.S.C. 102(b) as being anticipated by Dahl., Jr. (U.S. Patent No. 3,455,770).

Regarding claim 1, Dahl, Jr. discloses a business form (*col. 1, lines 14 – 20*) with a magnetic portion (*Title*), comprising a substrate (*Figures, e.g. Figure 15, elements 78a, 82a and 92a*) meeting the claimed sides and edges limitations, said substrate divided into at least first and second sections (*e.g. section under magnetic stripe and section not under the magnetic stripe*); a magnetic coating (*e.g. Figure 15, element 88a and relevant disclosure thereto*) on at least one of said first and second sections on at least one of said first and second faces, said magnetic coating and said one of said first and second sections forming a magnetic portion; said magnetic portion with said substrate provides a substantially planar configuration (*Figures, e.g. Figure 15; and col. 2, lines 48 – 51; and col. 4, lines 63 – 66*).

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Regarding the limitation(s) "elongated" and "slurry coated", the Examiner notes that these limitation(s) are/(is a) process limitation(s) and is/are not further limiting in terms of the structure resulting from the claimed process. Specifically, in a product claim, as long as the prior art product meets the claimed structural limitations, the method by which the product is formed is not germane to the determination of patentability of the product unless an unobvious difference can be shown to result from the claimed process limitations. In the instant case, Dahl, Jr. discloses an elongated substrate (*Figures*) and regardless of how the magnetic layer is deposited, the structure of the product in it's final version is still a business form with a magnetic layer coated thereon.

The limitation(s) "that can be processed through a non-impact printer" is (an) intended use limitation(s) and is not further limiting in so far as the structure of the product is concerned. Note that "in apparatus, article, and composition claims, intended use must result in a **structural difference** between the claimed invention and the prior art in order to patentably distinguish the claimed invention from the prior art. ***If the prior art structure is capable of performing the intended use, then it meets the claim.***

In a claim drawn to a process of making, the intended use must result in a manipulative difference as compared to the prior art." [emphasis added] *In re Casey*, 370 F.2d 576, 152 USPQ 235 (CCPA 1967); *In re Otto*, 312 F.2d 937, 938, 136 USPQ 458, 459 (CCPA 1963). See MPEP § 2111.02. In the instant case, the cards of the Dahl, Jr. invention can be processed through a variety of printing apparatus, such as spray

printing, ink-jet printing, laser printing, etc., depending on the optimization of the thickness of the cards (*see Figures*).

Regarding claim 2, Dahl, Jr. discloses the claimed limitation (*e.g. a stripe is a geometric shape*). Furthermore, the Examiner notes that the pattern that the magnetic layer takes is a matter of obvious design choice.

Regarding claims 3 - 6, Dahl, Jr. discloses lines of weakness meeting the claimed limitations (*Figures and col. 7, lines 23 – 67*). The Examiner notes that the limitation “to create individual advertising pieces” is an intended use limitation and is not further limiting with regard to the structure of the claimed product (*i.e. patentability does not matter how the final separate sections are used, be it for advertising or other uses*).

Regarding claims 9 and 10, Dahl, Jr. discloses printing over the entire surface of the card (*i.e. over both the elongated substrate portion and the magnetic portion*) (*Figures and col. 3, line 68 bridging col. 4, line 4*). The Examiner notes that the exact verbiage printed is an intended use limitation and is not further limiting in terms of the structure of the claimed product (*i.e. patentability does not relate to whether an end user printed “Sale” or “Come Visit!” across the face of the card. The final structure of the card is still one with indicia printed across the face*).

5. Claims 1, 2 and 7 – 10 are rejected under 35 U.S.C. 102(b) as being anticipated by Kishimoto et al. (U.S. Patent No. 5,648,160).

Regarding claim 1, Kishimoto et al. disclose a business form (*col. 1, lines 14 – 23*) with a magnetic portion (*Figures; e.g. Figure 19, element 2*), comprising a substrate

(*Figures, e.g. Figure 19, element 1*) meeting the claimed sides and edges limitations, said substrate divided into at least first and second sections (*e.g. section under magnetic stripe and section not under the magnetic stripe*); a magnetic coating (*e.g. Figure 19, element 2 and relevant disclosure thereto*) on at least one of said first and second sections on at least one of said first and second faces, said magnetic coating and said one of said first and second sections forming a magnetic portion; said magnetic portion with said substrate provides a substantially planar configuration (*Figures, e.g. Figure 19; and col. 44, lines 1 - 10*).

Regarding the limitation(s) “elongated” and “slurry coated”, the Examiner notes that these limitation(s) are/(is a) process limitation(s) and is/are not further limiting in terms of the structure resulting from the claimed process. Specifically, in a product claim, as long as the prior art product meets the claimed structural limitations, the method by which the product is formed is not germane to the determination of patentability of the product unless an unobvious difference can be shown to result from the claimed process limitations. In the instant case, Kishimoto et al. disclose an elongated substrate (*Figures*) and regardless of how the magnetic layer is deposited, the structure of the product in it's final version is still a business form with a magnetic layer coated thereon.

The limitation(s) “that can be processed through a non-impact printer” is (an) intended use limitation(s) and is not further limiting in so far as the structure of the product is concerned. Note that “in apparatus, article, and composition claims, intended use must result in a **structural difference** between the claimed invention and the prior

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art in order to patentably distinguish the claimed invention from the prior art. ***If the prior art structure is capable of performing the intended use, then it meets the claim.***

In a claim drawn to a process of making, the intended use must result in a manipulative difference as compared to the prior art.” [emphasis added] *In re Casey*, 370 F.2d 576, 152 USPQ 235 (CCPA 1967); *In re Otto*, 312 F.2d 937, 938, 136 USPQ 458, 459 (CCPA 1963). See MPEP § 2111.02. In the instant case, the Examiner takes Official Notice that the cards of the Kishimoto et al. invention can be processed through a variety of printing apparatus, such as spray printing, ink-jet printing, laser printing, etc., depending on the optimization of the thickness of the cards (see *Figures*). As support of the Examiner’s position of Official Notice, the Examiner notes that the “fare cards” used in the DC metro system are thin paper cards with a magnetic stripe, wherein the cards are read and *printed on* by a printer when exiting a station to indicate to a user the dollar amount remaining on the fare card (see *web article*: <http://world.nycsubway.org/us/washdc/index.html>, pages 5 – 6). As such, the Examiner deems that the concept of cards with magnetic layers that are printable on by a non-impact printer” is known in the art and is merely dependent on the chosen material for the substrate and it’s thickness.

Regarding claim 2, Kishimoto et al. disclose the claimed limitation (*e.g. a stripe is a geometric shape*). Furthermore, the Examiner notes that the pattern that the magnetic layer takes is a matter of obvious design choice.

Regarding claims 7 and 8, Kishimoto et al. disclose a magnetic coating including a ferrite powder (*col. 6, lines 28 – 40 and examples*) provided in an amount ranging



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from about 50 to about 90% by weight of the coating (*col. 13, lines 6 – 35, given in volume percent; and examples; given the density of Mn = 7.4 g/cc and Bi = 9.8 g/cc and most polymeric materials are ~1.0 +/- 1.0 g/cc*); a stabilizer provided in an amount ranging from about 5 to about 20% by weight of the coating (*col. 12, lines 13 – 57*); and a binder resin (*e.g. applicant's "varnish"*) provided in an amount ranging from about 15 to about 30% by weight of the coating (*col. 12, lines 8 – 18 and examples*). The limitation of claim 8 is a process limitation in a product claim and is not further limiting in so far as the structure of the final product is concerned. The Examiner notes that there are many ways to cure a magnetic coating, be it UV radiation, heat or a combination of the two. In all cases, the final structure of the layer is substantially identical – a solidified magnetic layer comprised of magnetic particles in a binder resin.

Regarding claims 9 and 10, Kishimoto et al. disclose printing over the entire surface of the card (*i.e. over both the elongated substrate portion and the magnetic portion*) (*col. 19, lines 32 – 56 and col. 45, lines 17 - 22*). The Examiner notes that the exact verbiage printed is an intended use limitation and is not further limiting in terms of the structure of the claimed product (*i.e. patentability does not relate to whether an end user printed "Sale", "Come Visit!", a hologram or a hidden security code across the face of the card. The final structure of the card is still one with indicia printed across the face*).

***Claim Rejections - 35 USC § 103***

6. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

7. Claims 7 and 8 are rejected under 35 U.S.C. 103(a) as being unpatentable over Dahl, Jr. as applied above, and further in view of Kishimoto et al. ('160).

Dahl, Jr. is relied upon as described above.

Dahl, Jr. fails to disclose the specifics of the magnetic layer composition.

However, Kishimoto et al. teach a magnetic coating including a ferrite powder (*col. 6, lines 28 – 40 and examples*) provided in an amount ranging from about 50 to about 90% by weight of the coating (*col. 13, lines 6 – 35, given in volume percent; and examples; given the density of Mn = 7.4 g/cc and Bi = 9.8 g/cc and most polymeric materials are ~1.0 +/- 1.0 g/cc*); a stabilizer provided in an amount ranging from about 5 to about 20% by weight of the coating (*col. 12, lines 13 – 57*); and a binder resin (e.g. *applicant's "varnish"*) provided in an amount ranging from about 15 to about 30% by weight of the coating (*col. 12, lines 8 – 18 and examples*). Kishimoto et al. teach that such a composition provides excellent corrosion resistance and stability to recorded data (*Abstract*).

It would therefore have been obvious to one of ordinary skill in the art at the time of the applicant(s) invention to modify the device of Dahl, Jr. to utilize a coating composition meeting applicant's claimed limitations as taught by Kishimoto et al., since

such a composition provides excellent corrosion resistance and stability to recorded data.

Regarding claim 8, the limitation of claim 8 is a process limitation in a product claim and is not further limiting in so far as the structure of the final product is concerned. The Examiner notes that there are many ways to cure a magnetic coating, be it UV radiation, heat or a combination of the two. In all cases, the final structure of the layer is substantially identical – a solidified magnetic layer comprised of magnetic particles in a binder resin.

8. Claims 3 – 6 are rejected under 35 U.S.C. 103(a) as being unpatentable over Kishimoto et al. as applied above, and further in view of Dahl, Jr. ('770).

Kishimoto et al. is relied upon as described above.

Regarding claims 3 – 6, while Kishimoto et al. disclose cutting the cards (*col. 16, lines 7 – 18*), Kishimoto et al. fail to disclose forming lines of weakness meeting applicant's claimed limitations.

However, Dahl, Jr. teaches using lines of weakness meeting applicant's claimed limitations in order to form a plurality of cards on a single web that is capable of being processed at high speeds (*Figures and entire disclosure*).

It would therefore have been obvious to one of ordinary skill in the art at the time of the applicant's invention to modify the device of Kishimoto et al. to utilize lines of weakness meeting applicant's claimed limitations as taught by Dahl, Jr. since such a

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structure can allow for a plurality of cards on a single web that is capable of being processed at high speeds.

### ***Conclusion***

9. The prior art made of record and not relied upon is considered pertinent to applicant's disclosure. Several references teach the concept of embedding magnetic layers into substrates such that the magnetic layer and the substrate form a planar surface (e.g. *Hoppe et al.*, U.S. Patent No. 4,497,872; element 11 in *Figures and relevant disclosure thereto*; and *Suzuki et al.*, U.S. Patent No. 4,479,995, element 7 in *Figures and relevant disclosure thereto*).

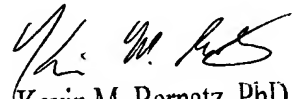
10. Any inquiry concerning this communication or earlier communications from the Examiner should be directed to Kevin M. Bernatz whose telephone number is (571) 272-1505. The Examiner can normally be reached on M-F, 8:30 AM - 5:00 PM.

If attempts to reach the examiner by telephone are unsuccessful, the Examiner's supervisor, Carol Chaney can be reached on (571) 272-1284. The fax phone number for the organization where this application or proceeding is assigned is 703-872-9306.

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Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

KMB  
October 20, 2006

  
Kevin M. Bernatz, PhD  
Primary Examiner